

January 11, 1996

Mayor Norman B. Rice
Seattle City Councilmembers
City of Seattle
Seattle, Washington 98104-1876

Dear Mayor Rice and City Councilmembers:

Enclosed for your review is our second status report, Striving For Efficiency and Effectiveness. This updates our March 1994 status report, Accountability in City Government, and discusses the work our office has performed since its inception in 1993. Our office exists to help the City and Seattle's citizens obtain honest, efficient management and full accountability throughout City government. Our priorities include:

- improving the City's management accountability systems (crucial for preparing accurate records and accounts and for the proper safekeeping and disbursement of public funds);
- saving the City money (helping the City become more efficient); and
- enhancing City efforts to utilize effective public administration techniques (allowing the City to become both more efficient and more effective).

Since our inception in 1993, we have completed 25 audit reports, published 4 educational newsletters, and performed numerous consultations. We have also held one training seminar on management accountability systems and provided a workbook on management accountability systems as a reference tool. Our projects have included financial reviews (for example, rents paid by Seattle Center House tenants), economy and efficiency reviews (for example, the Bumbershoot Festival), and compliance reviews (for example, the Police Department's Forfeiture Funds and Investigative Fund). Addendum A provides more information on our projects to date. All of our projects are aimed at improving the City's management controls and making City government more efficient and effective. Whenever possible, we have worked collaboratively with City departments.

The results we have achieved during our first three years have brought us much satisfaction. We especially appreciate that the majority of City employees whose programs or functions we review are very receptive to our work and committed to making their programs the best possible. We look forward to many more productive years working with the Mayor, City Council, and City departments to make Seattle the best it can be. Please call me at 233-0088 if you have any questions regarding our accomplishments to date or our 1996 work program.

Sincerely,

Nora J.E. Masters
City Auditor

Enclosure

Striving for Efficiency and Effectiveness

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Introduction

Seattle citizens voted to establish an independent City Auditor in 1991. The role of the City Auditor is to provide independent information on City policies and practices and expenditures.

In contemporary democratic society, communities expect government officials and agencies to account for their use of public funds in a way which gives some assurance that they are using those funds efficiently and effectively to achieve desirable results. To help meet these expectations, in 1991 Seattle followed the example of many other cities and established the position of City Auditor to examine the accuracy of accounts, inspect the receipt, safekeeping and disbursement of public funds, and audit the performance of City government, including its efficiency and effectiveness, both within and across City departments¹. Our goal is to help the City manage and account for its use of public funds honestly, efficiently and effectively by providing the citizens, the Mayor, City Councilmembers, and City managers with accurate information, unbiased analysis, and objective recommendations on how best to use public resources. In our work we are presently emphasizing:

- improving the City's management accountability systems (crucial for preparing accurate records and accounts and for the proper safekeeping and disbursement of public funds);
- saving the City money (helping the City become more efficient); and
- enhancing City efforts to utilize effective public administration techniques (allowing the City to become both more efficient and more effective).

To promote the Auditor's independence, the Auditor serves within the Legislative Department and receives a six year appointment which is subject to termination only for cause and by a majority vote of the City Council. Also, the City Council has given the City Auditor the power to compel City departments to supply access to all accounts and records.

We consist of a diverse group of professionals well versed in financial and performance auditing.² Our educational backgrounds include accounting, statistics, and public and business administration. Our work

¹Our role is established in Article VIII, Section 2 of the City Charter and in the Seattle Municipal Code (SMC) Chapter 3.40.

² Addendum B provides a list of staff and their certifications and educational backgrounds.

experience includes public accounting, auditing, private business, and federal, state and local government. We are committed to performing high quality work--work which is objective, independently derived, accurate, timely, meaningful and presented in a way most useful to City officials. We adhere to the demanding professional requirements which the United States General Accounting Office has prescribed for governmental auditing. These standards govern scoping and planning of work, determining a review's objectives, describing audit scope and methodology, selecting criteria for evaluating the subject matter, and ensuring that evidence is sufficient, accurate, and relevant.

Audits and program reviews constitute the principal work of our office, but we also assist City departments through consultative services, training, and a newsletter. Since our inception in 1993, we have completed 25 audits and program reviews, generally large-scale projects lasting between 4 and 12 months and sometimes involving multiple departments. At the completion of each audit or review, we issue a written report discussing the objectives, scope and methodology of the work we performed, the results of our work, and, when appropriate, our recommendations. After each report or review, we also brief the Mayor, the appropriate City Council committee, and department officials on our findings and recommendations.

In addition to performing audits and program reviews, we also provide City departments with consultative services, making available our expertise in accounting, auditing, program reviews and management accountability systems.

To further assist departments, we periodically publish a newsletter, Performance Perspective, to highlight general management principles or to disclose successful, useful or problematic program management.

Finally, we have provided departments with a training seminar on management accountability systems, in which we trained over 140 of the City's financial managers, and continue to provide a speaker on management accountability systems at each orientation program for new supervisors. Addendum A provides a complete list of our projects since our inception.

Improving The City's Management Accountability Systems

Management Accountability Systems are all activities designed to assure that a department (1) accomplishes its objectives in compliance with City policies; (2) uses staff time and City property appropriately, economically, and efficiently; and (3) records and accounts for revenues and expenditures properly.

To date, we have focused a great deal of our effort on improving departments' financial internal control systems. Financial internal control systems are an important component of management accountability systems. In the future, we plan to broaden our efforts to review and strengthen the non-financial aspects of management accountability systems. We have found room for improvement in the City's financial internal control systems. In particular, department managers need to reassess their controls periodically, do a better job of separating duties, perform more supervisory reviews, and improve the reconciling of accounts to ensure accurate reporting. While the principal responsibility for management accountability systems rests with the City departments and the Executive, we also have a significant role to play in assisting departmental efforts. In particular, we plan to continue our special initiative to teach departments the importance and nature of good management accountability systems and focus on management accountability systems during our audits. In addition, we plan to begin a process in which we give departments assistance in examining their own management accountability systems.

Importance of Management Accountability Systems

The success or failure of public programs often rests on the quality of the management accountability system. With a good system in place, public managers and decision makers have reasonable assurance that public programs will meet their goals and that public moneys will be spent appropriately. Without a good system for management accountability, managers have little such assurance and the quality of programs suffers.

Overall, we have found that the City could greatly strengthen its financial internal control systems. Some of the areas we have identified for improvements in our audits include:

Systematically Reviewing Management Controls. We have not yet found departments which are systematically reviewing their management controls. Department managers should periodically reassess and redesign their management control systems to ensure that they are meeting their goals and objectives; complying with applicable policies, regulations, and laws; and properly safeguarding City assets. We have found that--even

though departments are experiencing a great deal of change both in goals and objectives and in personnel (through reductions and rotations)--management is not reassessing the controls and procedures in place to determine whether the controls are appropriate, sufficient and implemented.

Segregation of Duties. Our audits have often identified areas where separation of duties can be strengthened. A good management accountability system segregates key duties to ensure that a single individual does not have all the responsibility for authorizing, processing, recording and reviewing financial transactions. Without segregation of key duties or some compensating controls, errors, irregularities and misappropriations can occur. Segregation of duties is particularly crucial in functions which control such City assets as cash or inventory.

Supervisory Review. In a number of audits we have found that an inadequate level of supervisory review has led to program inefficiencies. For instance, in our review of long distance and cellular telephone charges, we found that supervisory review of telephone and cellular phone charges could reduce the City's costs. The City's culture encourages empowering and trusting employees, and we strongly endorse these concepts. However, even a system that empowers and trusts employees should not overlook the valuable role of supervisory review.

Reconciling Accounts and Accurate Reporting. In our audits we have found many instances in which departments are not reconciling accounts or ensuring that reported figures are accurate. Routine reconciling of accounts to ensure reported figures are accurate is a basic function of a management accountability system.

***Departments Responsible for
Management Accountability
Systems***

Individual City departments and the Executive play the principal role in regard to management accountability systems. Each individual department has the basic responsibility for setting up, maintaining, and periodically reviewing its management accountability systems. The ultimate responsibility for ensuring that City programs and departments have adequate management accountability systems rests with the Executive.

The Role of the Office of City Auditor

Our role in ensuring the City has good management accountability systems is a more limited one than the departments' role but is still very significant. It includes

- teaching departments the nature and importance of good systems and assisting as requested in the design of these systems,
- reviewing departments to see if they are setting up, maintaining, and periodically reviewing their systems,
- providing consultative services to departments on ways to improve their management accountability systems (especially their financial controls), and
- recommending ways to improve system inadequacies we find in the course of our audits.

Because we have found in our reviews that City managers do not examine their processes in a systematic way to ensure they are meeting their goals and complying with City policies and legal requirements, in 1994 we began a special initiative to make City managers aware of the need for good management accountability systems and to teach them the basic components of such systems. We began our initiative with a memo to Mayor Rice, councilmembers and department heads. Since then, we have published two newsletters, Management Controls: A Basic Departmental Responsibility and Handling Cash; published a handbook, Rethinking Management Accountability Systems; and conducted a workshop for City managers.

As part of our initiative, we also included management accountability reviews in most of our 1995 audits. Two recent audits, Animal Control and Management Improvements at Freeway Park Garage, included very detailed analyses of management accountability systems. While conducting our audits, we also worked with department managers to help them strengthen their management accountability systems. Figure 1 provides examples of management accountability improvements made during our review of the Animal Control Division.

**Figure 1: Examples of Management Accountability Improvements
Animal Control Made During Our Review**

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- Segregation of duties between payment receipt, processing and computer input in the Pet Licensing Section to prevent individuals from pocketing payments and updating computer records to record payment.
 - Independent review of payments and related accounting records to make sure that records agree to payments received for Pet Licensing, the Spay Neuter Clinic, and Animal Shelter.
 - Use of logs to record the receipt of payments mailed to the Pet Licensing and the Spay Neuter Clinic.
 - Consistent use of pre-numbered receipts and an independent review for intact sequence of receipts to ensure that cash received agrees to items sold by the Enforcement, the Spay Neuter Clinic, and the Animal Shelter section.
 - Documentation of cash balancing to provide evidence of cash balances and to record the denominations of cash in the cash drawer in the Pet Licensing section.
 - Review of deposit records to source documents to ensure that sales receipts were deposited intact by the Animal Shelter section and Enforcement section.
 - Inventory records for pet license tags and reconciliation of physical tags to sales records to ensure that the Pet Licensing section, the Enforcement section and the Spay Neuter Clinic account for all pet tags.
 - Segregation of duties between mail receiving and accounting in the Spay Neuter Clinic.
 - Restrictive endorsement of checks (for example, printing FOR DEPOSIT ONLY upon checks received) and pre-printed fee schedules on receipts by the Enforcement section.
 - Cash register and separate cash boxes for each cashier in the Spay Neuter Clinic.

To encourage departmental reassessments of management accountability systems and to increase our impact beyond the individual audits we perform, we plan to offer departments an opportunity to perform guided self assessments of their management accountability systems. These self assessments will involve the departments' staff in evaluating their own systems and identifying opportunities to strengthen their processes.

Saving City Money And Enhancing Revenue

Our work contributes to legislative and executive actions that produce significant financial benefits to the citizens

Collection

Saving the City money is one of our primary goals. In every review, we examine the way the City is spending money and look for more efficient and economical ways to conduct City business.

of Seattle. These benefits include reducing expenses and losses, obtaining payment recoveries, enhancing revenue collection, and finding alternate sources of revenue.

Bumbershoot: Market Forces Could Improve City Finances. In this report, we recommended that the City pursue ways of sharing the financial risk for producing the Bumbershoot Festival. Implementing these recommendations saved the City \$109,000 in 1994.

City-wide Collection of Accounts Receivable. As a result of our review, the City Council has implemented an ordinance to allow departments to charge interest and penalties. During our review, we conservatively estimated that the City could potentially collect up to \$879,800 in interest payments if it charged interest on private individual and commercial delinquent accounts receivable. In addition, many City departments have used our recommendations to improve both their collection processes and their collection rate on delinquent accounts.

Animal Control. This report recommended that the City reevaluate the need for the two Animal Control officers who were added in the 1994 budget. Animal Control's workload has decreased significantly since 1979, and the City Council added these officers based on incorrect information that they would generate enough revenue to cover their additional expenses.

Management Improvements At Freeway Park Garage. Audit staff worked closely with the Department of Administrative Services to improve the management accountability system at Freeway Park Garage. Since implementing our recommendations, the City has obtained an increase in revenues at the Garage and has been able to account for the Garage's cash receipts appropriately.

Department of Finance Taking Steps to Improve Internal Controls over City-wide Travel Expenditures. This report showed that the City was paying unnecessarily high rates because employees were not requesting government rates when traveling.

Contracting for Court Services. The report showed how the City could potentially save \$900,000 by merging municipal court functions with the Seattle Division of the King County District Court.

Seattle Can Reduce Long Distance and Cellular Telephone Charges. This report noted that the City could reduce its long distance and cellular telephone charges 8 to 10 percent (approximately \$65,000) by providing stronger supervisory oversight over employees' personal use of City telephones.

Some of our smaller projects also helped save the City money. For instance:

- Our review of the City's broker commission account made \$71,000 available for general risk management purposes.
- Our pre-award review of the Bridge Seismic Project and Inter modal Transportation Terminal Project, identified almost \$5,000 savings in consultant overhead charges.

Enhancing City Efforts To Utilize Effective Public Administration Techniques

Effective public administration techniques often focus on making government more responsive, more accountable, and less costly. Whether it's creating a more entrepreneurial culture or devising means to better articulate an entity's accomplishments, public jurisdictions know that their citizens will continue to ask them to do more with less.

We have a special role to play in encouraging and enhancing the efforts of City officials and employees to find and use both time tested and innovative public administration techniques to increase the productivity and accountability of City government, to make it more entrepreneurial and results oriented. The increased focus on performance measures, managed competition, and citizen surveying exemplify these efforts. In performing our role, we have participated on City task forces and issued newsletters and reports addressing these techniques. Two of the largest issues we have addressed are performance measures and managed competition.

Performance Measures. Regular performance reporting helps to identify opportunities for improving services; makes management more attentive to results, and allows management, legislators and citizens to better assess how well managers are translating legislative vision into concrete action. To bolster the City's efforts to use performance measures, we issued a newsletter, "Performance Measures: Their Time Has Come," and a report, Focus on Performance. Our newsletter described why jurisdictions around the world have embraced performance measures. Our report pointed out that Seattle will have to address and resolve a number of inherent difficulties in integrating performance reporting and performance measures into standard public administration practice. Those difficulties include

getting agreement on program objectives, valuing qualitative information, establishing a relationship between the budget and performance measures, and developing good information systems. Our report recommended that the Office of Management and Planning emphasize that both top-down and bottom-up performance measures can help the City articulate, measure, and report on program goals. We also recommended that Seattle play an active role in the development of national and state performance measures and develop its performance measures using the framework and terminology which the Government Accounting Standards Board is developing for service efforts and accomplishments.

Managed Competition. Managed competition calls for carefully comparing the costs and benefits of contracting with private business or another governmental entity to provide a service against the costs and benefits of providing the service in-house. To contribute to the City's efforts to use managed competition, we issued a report, Making Effective Use of Managed Competition. In contrast to privatization, managed competition does not assume that private business can always do a better job of providing services. In our review, we found that in Seattle, although City departments are comparing some in-house costs to outside costs, they could be using managed competition more extensively. Of the 67 services which we identified as good candidates for managed competition, departments were only reviewing in-house to outside costs for 23 services. In reviewing the experiences of other cities, we found the following elements may help Seattle successfully implement a managed competition program: ensuring a thorough analysis of costs and benefits (including non-financial factors) and of legal issues; developing and implementing appropriate internal controls; and fostering labor-management cooperation.

Evaluating Our Performance

In addition to evaluating the performance of other City departments, we evaluate our own performance. To do so, we use a variety of methods, with a particular emphasis on results achieved and on customer satisfaction.

We use a variety of methods to evaluate our performance. Because our overriding goal is to enhance the City's ability to provide efficient and effective services to the citizens of Seattle, we pay particular attention to the extent to which our work leads to improvements in the City's management accountability system, saves the City money, and encourages use of effective public administration techniques. We have already described the results we have achieved in these three areas in the previous sections. In addition to monitoring these broad-scale goals, we attempt to gauge customer satisfaction through the customer questionnaires we provide with each audit report and to each training participant and hold regular discussions with members of the City Council, the staff of the Mayor's Office, and department officials. We also periodically review departmental willingness to implement our recommendations as a measure of the extent to which our reports are providing sufficient evidence to convince departments of the validity and significance of our recommendations. Finally, we monitor the extent to which departments request our consultative and training assistance and the response our educational newsletters receive, in particular the requests for additional information they generate. Because we believe information on customer satisfaction is so important for evaluating performance, we are currently looking for ways to measure customer satisfaction more fully and plan to include more detailed customer-satisfaction information in future status reports.

Ultimately, our work gains its real significance when it directly results in improvements in City operations. The results of several recent audits have given us particular satisfaction:

- As a result of our report, Seattle Can Reduce Long Distance and Cellular Telephone Charges, Department of Administrative Services is developing exception reports which will allow departments to detect unusual calling patterns including fraud, and many departments have established policies requiring detailed review of telephone bills by employees and supervisors, along with reimbursement for personal calls. Department heads also found our reporting of

the number of cellular telephones useful. They plan to use a similar report to identify fleet ownership and usage.

- Our report, Utility Sole Source Consultant Contracts: Management Controls Need Strengthening, led the Department of Administrative Services to implement a checklist ensuring that all sole source consultant contracts receive appropriate justification, and the Office of Management and Planning is now monitoring departmental compliance. As a further benefit, the Ethics and Election Commission also changed its disclosure requirements for sole source contracting.
- Our report, City-wide Collection of Accounts Receivable, resulted in a City ordinance directing departments to charge one percent interest per month on overdue accounts greater than \$50. In addition, the Accounts Receivable Task Force established new City wide policies requiring departments to send overdue notices at 30 and 60 days.

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Office of City Auditor Projects 1993, 1994, and 1995

During 1993 through 1995, we issued 25 audit reports, published 4 newsletters and held one training workshop. In addition, audit staff assisted City departments with a variety of projects, including advising them on accounting and auditing issues.

Reports Issued in 1993

Woodland Park Zoo's Cash Receipting and Handling System, April 1993. The internal controls over cash receipts at the Woodland Park Zoo are not sufficient to ensure proper recording and adequate safeguarding of cash receipts.

Utility Sole Source Consultant Contracts: Management Controls Need Strengthening, September 7, 1993. The utilities did not have effective internal control structures to ensure that sole source contracts were used only when a single consultant was available.

DCLU: Revenue Collection Process, September 1, 1993. Department of Construction and Land Use (DCLU) needs to improve its management and internal controls over its revenue transactions. Improvements should include adequately segregating duties; reconciling revenue information to actual cash receipts; ensuring security over the financial records; and billing accounts in a timely manner.

Municipal Court: Oversight System in Place for Collection Services Contract, October 5, 1993. Identified improvements in billing notices and in collecting fines on rental vehicles.

Bumbershoot: Summary of Comptroller's 1991 and 1992 Findings, November 4, 1993. Several areas of risk exist in the current management structure of the Bumbershoot Festival, including inadequate oversight and accountability, financial and internal control weaknesses, and non-compliance with City codes and ordinances.

Bumbershoot: Market Forces Could Improve City Finances, November 4, 1993. Seattle can continue to have an artistically and musically successful Bumbershoot Festival, with a multitude of art offerings, at a reduced financial cost to the City and to attendees by strengthening oversight of the Festival and by using market incentives in restructuring the Festival and in selecting and contracting with a producer(s).

Office of City Auditor Projects 1993, 1994, and 1995

Department of Finance: Bond Arbitrage System, November 2, 1993. The Finance Department can improve the arbitrage reporting process by implementing additional management controls and procedures to help ensure accurate reporting and remittance of arbitrage profits.

Finance: Review of the Insurance Broker Commission Account, December 20, 1993. Questioned the need for an insurance broker commission account, prompting the Finance Department to discontinue using it.

DHHS: Oversight of Housing Rehabilitation and Development Programs, December 23, 1993. Department of Housing and Human Services (DHHS) needs to strengthen its management controls and oversight over its housing rehabilitation and development programs to ensure the program is serving those it intended.

Reports Issued in 1994

Accountability in City Government, March 31, 1994. The Office of City Auditor's first status report emphasizes management controls, saving money and making City government more effective.

Police Department: Evidence Room, March 31, 1994. The Police Department should implement procedures to ensure that Police evidence and cash are properly and efficiently handled and safeguarded.

Seattle Center: Redevelopment Levy, June 10, 1994. Seattle Center spent levy funds appropriately and complied with City policies, laws, and regulations. However, Seattle Center can improve its management controls over advertising, documenting of change orders, and amending of consultant contracts.

Seattle Engineering Department: 1992 Reorganization, Management of Accounts Receivable and Management Reports, June 30, 1994. In reorganizing, the Engineering Department was able to exceed its expectations in reducing staff levels, resulting in savings of over \$600,000 annually. The Engineering Department needs procedures to ensure that its accounts receivable are appropriately monitored, controlled, and accounted for; and to ensure management reporting capabilities are

Office of City Auditor Projects 1993, 1994, and 1995

adequate.

Seattle Can Reduce Long Distance and Cellular Telephone Charges, September 16, 1994. The City can save on its long distance and cellular telephone charges by requiring authorization codes and having employees and supervisors review telephone bills for personal calls made by employees and fraudulent use.

Focus on Performance, September 16, 1994. Challenges the City to use performance measures while identifying the fundamental challenges of integrating performance measures into public administration.

Annual Status of Audit Recommendations, October 31, 1994. This report centrally compiles all of the 185 audit recommendations for the City departments made by the Office of City Auditor, State Auditor's Office, independent certified public accounting firms, and the previous Comptroller's Office. Departments reported that they have implemented or would implement 68 percent of the recommendations by the end of 1994.

Seattle Police Department: Forfeiture Funds and Investigative Fund, December 23, 1994. The Police Department needs to improve its processes to ensure proper cash handling and compliance with laws and regulations.

Reports Issued in 1995

Contracting for Court Services, April 18, 1995. The City could potentially save \$900,000 a year by combining Municipal Court services with the Seattle Division of the King County District Court.

Making Effective Use of Managed Competition, January 11, 1995. Of 67 services identified as good candidates for managed competition, City departments were only performing cost comparisons on 23. To implement managed competition successfully, Seattle needs careful analysis, appropriate management controls, recognition of non-financial factors, and labor management cooperation.

City-wide Collection of Accounts Receivable, May 17, 1995. The amount of receivables over 90 days old is significant, but City departments only sporadically use

Office of City Auditor Projects 1993, 1994, and 1995

interest and/or late fees as an incentive for timely payment. City departments should improve their collection practices over delinquent accounts receivable and strengthen their internal controls over accounts receivable to prevent the potential loss of City funds. Also, City departments should develop effective monitoring tools, such as management reports. In addition, the Department of Finance should provide more guidance to departments on collection of accounts receivable.

Eligibility for Public Defense, August 21, 1995. Office of Public Defense screeners appear to perform initial screenings effectively, however, they can do more to enhance the quality of the information which they gather.

Seattle Center Improving Procedures to Ensure Tenants Are Reporting All Revenues and to Ensure Consistency of Contracts, October 5, 1995. Seattle Center and our staff identified ways to improve Seattle Center's procedures to ensure tenants report all revenue and correctly calculate rents due. In addition, Seattle Center is continuing its efforts to standardize its contracts and make them consistent among the different tenants.

Management Improvement at Freeway Park Garage, October 24, 1995. The Department of Administrative Services (DAS) should design and implement a comprehensive management accountability system over the Freeway Park Garage's cash receipt process to include reconciling cash receipts, segregating duties, recording sales, and controlling monthly parking passes, key cards and void transactions. In addition, DAS also needs to increase its management oversight of the Garage.

Department of Finance Taking Steps to Improve Internal Controls Over City-wide Travel Expenditures, October 24, 1995. The Department of Finance can take additional steps to fulfill its responsibilities as outlined in the Seattle Municipal Code and may want to consider options for streamlining the authorization, accounting and reporting of travel and training expenditures.

Animal Control, November 20, 1995. Animal Control needs to implement a comprehensive financial control system. Animal Control could benefit from a managed

Office of City Auditor Projects 1993, 1994, and 1995

competition review in light of their decreasing workload and rising budget. It should also reconsider the need for the two additional officers added in the 1994 budget.

Performance Perspective (Newsletters)

Newsletters highlight general management principles and discloses successful, useful or problematic program management issues.

Auditing and Reinventing Government, December 1, 1993, describes how the goal of reinventing fits well with the Office of City Auditor's mission to help the City achieve honest, efficient management and full accountability throughout City government. Reinventing government makes government more responsive, effective and less costly by creating an entrepreneurial environment with intense emphasis on results.

Performance Measures: Their Time Has Come, May 12, 1994, describes the efforts to use performance measures in the public sector and how they can help make Seattle more results oriented.

Management Controls: A Basic Departmental Responsibility, October 31, 1994, provides information on management and internal controls and emphasizes managers' responsibility to ensure their functions have appropriate management controls.

Handling Cash, December 29, 1995, emphasizes the importance of good cash handling procedures and provides a checklist to help Departments review their cash handling procedures.

Consultations and Training

We have regularly provided both consultation and training to the departments. As part of our goal for continuous improvement in City government and in serving our City customers we encourage all City managers and employees to call us for advice and to consult with us in any way, particularly in regard to management controls and financial and accounting questions. The major types of projects we have consulted on between 1993 and 1995 include the following:

- appropriateness of civic contributions (City Light

Office of City Auditor Projects 1993, 1994, and 1995

Department),

- two reviews of contracts (the Bridge Seismic Project and the Inter Modal Transportation Terminal Project) for the Engineering Department,
- review of the Voter's Pamphlet contract with King County (Ethics and Elections Commission),
- reviews of the appropriateness of the Bus Pass Subsidy program and of investment policies (Finance Department),
- design of the Citizen Surveys project and of the Performance Measures project (Office of Management and Planning),
- adequacy of internal controls for the Remote Automated Payment System (Multi departmental project),
- cash handling controls for the Bite of Seattle (Seattle Center),
- contracting issues and evaluation of CPA firm (Water Department).
- assessment of fleet management risks (Department of Administrative Services) and of internal control system risks (Office of Public Defense)
- cost methodology for the City Labor Task Force,
- review of internal controls for the Human Resource Information System (Personnel and Department of Finance), and
- the process for selecting CPA Firms (Department of Administrative Services).

Besides our consultative work, on May 23, 1995, we provided a training workshop and workbook on "Rethinking Management Accountability Systems," to provide City employees with an introduction to management accountability systems and the tools to implement a management accountability system. We also provided a discussion of performance measures for the Library in 1994 and have participated in the orientation training for new supervisors.

Office of City Auditor Staff

Staff (as of 1/16/96)

Nora J.E. Masters, CGFM, CPA
MBA University of Texas

Jane Dunkel, CGFM
MBA University of Washington

Susan Cohen, CGFM
MPA The Evergreen State College

Solomon Aleyamahu, CPA
BA Portland State

Lori Pang, CGFM
BA University of Washington

Chris Potter
BA Swarthmore

Sherry Davis, CGFM
BA University of Washington

Kyle Langan, Administrative Support
BA Seattle University

Abbreviations

BA	Bachelor of Arts
CGFM	Certified Government Financial Manager
CPA	Certified Public Accountant
MBA	Master of Business Administration
MPA	Master of Public Administration